
A BILL FOR AN ACT

RELATING TO NET ENERGY METERING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii is a leader
2 in residential solar because of the encouragement of renewable
3 energy production and development through the net energy
4 metering program. The program has catapulted Hawaii to the
5 forefront of renewable energy production and use in the nation
6 by using clean, locally available energy sources. The net
7 energy metering program was created to lessen Hawaii's
8 dependence on imported oil by encouraging the utilization of net
9 energy metering. The program allows customers to purchase and
10 install residential solar panels through payment options and
11 greatly reduced electrical rates. Meanwhile, small businesses
12 in the industry are flourishing and increasing job opportunities
13 in the State.

14 The legislature further finds that the public utilities
15 commission unilaterally decided to effectively terminate this
16 program on October 12, 2015 by capping the net energy metering
17 program at existing levels, even for current net energy metering



1 customers with applications pending in the queue at that time.
2 This action contradicts the legislature's intent to encourage
3 net energy metering rather than transition away from it. The
4 termination of the program by the public utilities commission
5 hinders this progress and has resulted in a lawsuit by solar
6 advocates, opening up the State to more costly liabilities.

7 The purpose of this Act is to:

- 8 (1) Require the public utilities commission to approve all
9 eligible customer-generators to participate in a net
10 energy metering program;
11 (2) Create a maximum monthly charge for basic electrical-
12 grid services; and
13 (3) Repeal the public utilities commission's authority to
14 amend the rate structure.

15 SECTION 2. Chapter 269, Hawaii Revised Statutes, is
16 amended by adding two new sections to be appropriately
17 designated and to read as follows:

18 "§269- Approval of eligible customer-generators. The
19 public utilities commission shall approve all eligible customer-
20 generators who meet the minimum requirements of a net energy



1 metering program to participate in a net energy metering
2 program.

3 §269- Monthly charge for basic electrical-grid
4 services. (a) The public utilities commission shall determine a
5 monthly charge for basic electrical-grid services common to both
6 participants and non-participants in a net energy metering
7 program, provided that the monthly charge shall not exceed
8 seventeen dollars.

9 (b) Any participant in a net energy metering program with
10 net energy metering credits at the end of each month under
11 section 269-107 shall be billed only the monthly charge for
12 basic electrical-grid services.

13 (c) The monthly charge for basic electrical-grid services
14 shall be identified as a line-item by electric utilities on all
15 billing statements for all grid-connected users."

16 SECTION 3. Section 269-102, Hawaii Revised Statutes, is
17 amended by amending subsection (c) to read as follows:

18 "(c) The public utilities commission may amend the [~~rate~~
19 ~~structure or~~] standard contract [~~or tariff~~] by rule or order."

20 SECTION 4. The public utilities commission shall commence
21 a proceeding by September 1, 2016, to determine appropriate



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1 actions for equitable relief for all applicants to a net energy
2 metering program between October 12, 2015 and approval of this
3 Act.

4 SECTION 5. This Act does not affect rights and duties that
5 matured, penalties that were incurred, and proceedings that were
6 begun before its effective date.

7 SECTION 6. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 7. This Act shall take effect upon its approval.

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Report Title:

Public Utilities Commission; Electric Utilities Companies; Net Energy Metering.

Description:

Requires the public utilities commission to approve all eligible customer-generators to participate in a net energy metering program. Creates a maximum monthly charge for basic electrical-grid services. Repeals the public utilities commission's authority to amend the rate structure.

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